

1 MICHAEL LEHNERS, ESQ.
2 429 Marsh Ave.
3 Reno, Nevada 89509
4 Nevada Bar Number 003331
(775) 786-1695
email michaellehners@yahoo.com
5 Attorney for Chapter Seven Trustee
Allen Dutra

Eyg 6/3/13

7 UNITED STATES BANKRUPTCY COURT
8 DISTRICT OF NEVADA

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11 IN RE
12
13 RICK J. ARNAUD,
14 Debtor(s).
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BK-N- 11-51998-btb
CHAPTER 7
Hearing Date: 6/13/13
and Time: 10:00 a.m.

SUPPLEMENT TO OPPOSITION TO
MOTION TO CONVERT TO CHAPTER
ELEVEN

16 COMES NOW Chapter Seven Trustee, Allen M. Dutra, by and
17 through undersigned counsel and files the following Supplement to his
18 Opposition to the Debtor's Motion to Convert this Case to Chapter Eleven.
19 This Supplement is made and based upon the pleadings on file herein
20 and the Memorandum of Points and Authorities attached hereto.

MEMORANDUM OF POINTS AND AUTHORITIES

21 The Trustee's Opposition was due on May 30, 2013. On May 31,
22 2013 the Trustee sent Counsel an email which stated that Scott Maynes
23 was attempting to drop off copies of checks to my office. Mr. Maynes is
24 the Debtor's partner in Verti Crete. According to Mr. Maynes, these
25 checks were received by the Debtor from doing jobs through Verti Crete
26 without telling his partner. Mr. Maynes states that when the Debtor
27

1 received the checks, he would deposit them into the Verti Crete account
 2 and then write himself checks for these receivables.

3 Counsel has sent a copy of the materials Mr. Maynes delivered to
 4 his office to the Debtor's attorney. Counsel shall also bring a copy of
 5 these materials to Court on the June 13, 2013 hearing.

6 Attached hereto as Exhibit "1" is a summary of the bank
 7 statements which show the total deposits and the withdrawals by the
 8 Debtor. Between April 30, 2012 and December 31, 2012, \$113,077.64
 9 was deposited and the Debtor withdrew \$94,360.11 in the same period.

10 The Trustee asserts this information is relevant for two reasons.
 11 First, if Mr. Maynes is a partner, then he is entitled to his share of funds.
 12 What is more important is that the Debtor filed schedules indicating
 13 these businesses had no income, but nine months after the case was
 14 filed, he was able to generate \$94,360.11 of income to himself.

15 In other words, he was taking in an average of \$11,795.01 per
 16 month, but only decided he wanted to fund a reorganization when the
 17 Trustee got the Hart Lane property back and obtained a buyer. This is
 18 but another reason to deny the motion to convert.

20 Dated: This 3 day of June, 2013

21
 22
 23 By:

24 Michael Lehners, Esq.
 25 429 Marsh Ave.
 26 Reno, Nevada 89509
 27 Nevada Bar Number 003331

Exhibit 1

Exhibit 1

ANALYSIS VERTI-CRETE BANK STATEMENTS

DATE OF STATEMENT	TOTAL DEPOSITS	WITHDRAWALS BY DEBTOR
4/30/12	\$20,975.00	\$11,049.45
6/29/12	15,000.00	7,891.00
7/31/12	3,550.64	3,373.66
8/31/12	800.00	500.00
9/28/12	17,200.00	17,150.00
10/31/12	9,690.00	9,100.00
11/30/12	23,131.00	22,631.00
12/31/12	22,665.00	22,665.00
TOTAL:	\$113,077.64	\$94,360.11

CERTIFICATE OF SERVICE BY MAIL

Pursuant to Federal Rule of Civil Procedure 5(b), I certify that on the 2 day of June 2013 I deposited for mailing in the United States Post Office in Reno, Nevada, with postage thereon fully prepaid, a true copy of the within SUPPLEMENT TO OPPOSITION TO MOTION TO CONVERT TO CHAPTER ELEVEN addressed as follows:

Allen M Dutra
59 Damonte Ranch Pkwy.
Ste B299
Reno, Nv 89521

Rick Arnaud
610 Wedge Lane
Fernley, NV 89408

U.S. Trustee
300 Booth Street, Ste 3009
Reno, Nv 89509

Craig Mingay, Esq.
Churchill County D.A.
165 N Ada St
Fallon, NV 89406-2907

John White, Esq.
335 W. First St.
Reno, NV 89503

Dolores Stigall